



DEPARTMENT of ENVIRONMENT and NATURAL RESOURCES  
Minerals & Mining Program - Oil & Gas Section  
2050 West Main, Suite #1, Rapid City, SD 57702-2493  
Telephone: 605-394-2229, FAX: 605-394-5317

FORM 2

RECEIVED

MAY 06 2005

DEPT OF ENVIRONMENT & NATURAL  
RESOURCES - RCRO

## APPLICATION FOR PERMIT TO DRILL

Type of work:		Type of well:	
<input checked="" type="checkbox"/> Drill New Well	<input type="checkbox"/> Reenter Well	<input type="checkbox"/> Oil Well	<input checked="" type="checkbox"/> Gas Well
<input type="checkbox"/> Drill Directional Well		<input type="checkbox"/> Injection	
<input type="checkbox"/> Other _____		<input type="checkbox"/> Other _____	

Name and Address of Operator: **Sands Oil Company** P.O. Box 373, Billings, MT 59103 Telephone: **(406) 245-7714**

Name and Address of Surface Owner: **Moreau Grazing Association** 15545 Old Hwy 85, Belle Fource, SD

Name and Address of Drilling Contractor and Rig Number: **Conquest Drilling Company** Gillette, WY

---

Surface Location of well: Qtr-Qtr, Sec, Twp, Rge, County, feet from nearest lines of section, and latitude and longitude (if available):  
**NENE Sec 32, T15N-R3E 1180' FEL & 1270' FNL HARDING COUNTY**

If Directional, top of pay and bottom hole location from nearest lines of section:  
**N/A**

Acres in Spacing (Drilling) Unit <b>320</b>	Description of Spacing Unit <b>N/2</b>
--	---

Well Name and Number <b>Federal #1-32</b>	Elevation <b>3143' GL</b>	Field and Pool, or Wildcat <b>Wildcat</b>	Proposed Depth and Formation <b>1200' Shannon</b>
--	------------------------------	--	--

Size of Hole	Size of Casing	Weight per Foot	Depth	Cementing Program (amount, type, additives)	Depth
1) 9-7/8"	7"	17#	150'	50 SX Reg CI G	Surfac
2) 6-1/4"	4.5"	9.5#	1200'	100 SX Reg CI G w/2% CACL	Surfac
3)					
4)					

Describe Proposed Operations (Clearly State all Pertinent Details, and Give Pertinent Dates, Including Estimated Date of Starting any Proposed Work). Use additional page(s) if appropriate.

*See attached for PORPOSED OPERATIONS*

*Dec 1, 2004 proposed starting date. Drilling will take 2-3 days.*

*June 1, 2005*

I hereby certify that the foregoing as to any work or operation performed is a true and correct representation of the work or operation.

 Signature	<b>Michael Okerman</b> Name (Print)	<b>STATE GEOLOGICAL SURVEY</b> <b>WESTERN FIELD OFFICE</b> Title
		<b>6/28/04</b> Date

**FOR OFFICE USE ONLY**

Approved By: Title: **Oil & Gas Supervisor**

Permit No. **1746** API No. **40 063 20594** Date Issued: **06/01/05**

Conditions, if any, on attached page.